

MEMORANDUM FOR THE SECRETARY

SUBJECT: National Intelligence Authority

In accordance with your instructions prior to leaving for Moscow, I have made continuous efforts through discussions with representatives of the War and Navy Departments, including the Secretaries themselves, to resolve the issues involved in the proposed establishment of a National Intelligence Authority.

My first effort, embodied in the attached memorandum, was to propose amendments in the State Department plan directed toward:

- (a) Defining clearly the status of the Executive Secretary as a representative of the Authority rather than the State Department.
- (b) Providing that the Advisory Boards should have an opportunity to review and comment upon recommendations to be submitted to the Authority.

The Secretary of War indicated that he would be willing to accept this modified plan, provided the State Department had a centralized intelligence organization, although he still had reservations regarding the complexity of the committee organization. The Secretary of the Navy, however, still felt that the organization was dominated by the State Department.

Discussions therefore were continued in an effort to find a satisfactory compromise. One of the major difficulties encountered was the fact that the various War and Navy Department representatives each appeared to have different views as to precisely how the Authority should be organized and operated. For example, certain War Department representatives insisted that the Executive Secretary or Director should have the power to make decisions for the Authority but at the same time they would give any member of the Advisory or Intelligence Board the right to insist that the question be referred to the Authority if that Board member disagreed with the Director. Another example is the fact that although they object to the proposed committee structure, they still admit that

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committees of that nature will be necessary even under their plan.

After studying these varied and confusing viewpoints, I informally offered to modify the State Department plan by inserting the following provisions:

(a) The Executive Secretary will both direct and coordinate the activities of the Committees, but will only coordinate the activities of the Director or Directors of operations to insure that such activities are carried out in conformity with policies approved by the Authority. In effect this creates an independent Director or Directors of operations who are responsible directly to the Authority rather than the Executive Secretary.

(b) The evaluation, synthesis and dissemination of intelligence relating to the national security or required for the formulation of national policy should be performed under the Authority to the extent that it determines to be desirable, rather than performing these functions by means of a joint staff in the State Department.

(c) The Executive Secretary may at his discretion initiate any action recommended without submission to the Authority providing the appropriate Advisory Board concurs in the recommendation.

These modifications received varied reactions. One representative of the War Department and one of the Navy Department appeared willing to accept the amended plan but two other representatives of the War Department made it very clear that they personally were unwilling to accept anything ~~which~~ short of the original War Department plan.

In view of these divergent reactions and the evidence of the unwillingness of some individuals to compromise despite substantial concessions on my part, I now consider it desirable to await ~~and~~ a formal reply from the Secretaries of War and the Navy before taking any further action. I understand that this reply should be forthcoming in the next day or so.

State Dept. dr. fr, by J.S. Luy
for Mc Cormack —

probably dated some days
before 10 Dec 1945,
when Sec State wrote to
Sec War & Navy

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